



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Wednesday Evening, August 10, 2016

Electricity

Strong Storms Knock Out Power to Over 56,000 FirstEnergy Customers in Ohio August 9

Strong storms bringing heavy rain, small hail, and lightning knocked out power to at least 56,096 FirstEnergy customers in Northeast Ohio on Tuesday night. Crews reported numerous downed trees and powerlines. As of 3:30 p.m. EDT Wednesday, 14,570 customers remained without power.

<http://outages.firstenergycorp.com/oh.html>

<http://patch.com/ohio/mentor/weather-alert-storm-damage-downed-power-lines>

Update: PSEG's 1,092 MW Salem Nuclear Unit 2 in New Jersey at Full Power August 9

PSEG on Tuesday reported its Salem nuclear Unit 2 in Lower Alloways Creek Township, New Jersey was at full power after four recent shutdowns. The plant started sending out electricity over the regional power grid early Monday morning, according a spokesman, and by late Tuesday morning the reactor was running at full power. The unit shut after an alert from a generator protection system indicated that there was an electrical fault. Workers identified the problem as a loose wire in one of the plant's three main power transformers. The wire was replaced and the plant put back on service, according to the spokesman. Officials said the three earlier shutdowns were due issues related to the plant's generator.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

http://www.nj.com/salem/index.ssf/2016/08/after_4_recent_shutdowns_nj_nuclear_plant_back_in.html

Update: ERCOT Says Texas Power Demand to Hit Record High Again August 10

The Electric Reliability Council of Texas (ERCOT), which operates the grid in most of the state, said demand for power in Texas on Wednesday was expected to top the record high set on Monday as a heat wave continues to hit the state. ERCOT forecast demand would reach 71,126 MW on Wednesday, topping the grid's preliminary all-time high of 70,147 MW on Monday. The system has enough power supplies to meet demand barring any significant power plant or transmission line outages, according to ERCOT. ERCOT forecast demand would remain high for the rest of the week before the weather cools down to near-normal levels for the rest of August, with system peaks expected to reach 70,791 MW on Thursday and 69,706 MW on Friday.

Reuters, 9:18 August 10, 2016

<http://www.ercot.com/>

JCP&L File Petition for Monmouth County Reliability Project in New Jersey August 9

Jersey Central Power & Light (JCP&L) on Tuesday filed a petition with the New Jersey Board of Public Utilities (BPU) for a transmission infrastructure project that will result in a stronger, modernized electrical system benefiting nearly 214,000 customers in Monmouth County. The Monmouth County Reliability Project (MCRP) uses a New Jersey Transit railroad right-of-way between existing substations in Aberdeen and Red Bank, and includes a new 230-kV transmission line, substation enhancements, and modern technology upgrades. The petition describes the need for the MCRP, the route selection process, and JCP&L's plans for complying with all regulations and permitting processes. In addition, PJM Interconnection, LLC, the organization that coordinates the movement of electricity and oversees transmission reliability across New Jersey and 12 other states, has recommended this project be built.

https://www.firstenergycorp.com/newsroom/news_releases/jcp-l-outlines-benefits-of-the-monmouth-county-reliability-proje.html

Exelon to Invest \$25 Billion in Infrastructure, Smart Grid Technology over Next 5 Years

Exelon on Wednesday said it will invest \$25 billion on critical infrastructure, smart grid technology, and other reliability and customer service improvements at its utilities over the next five years to benefit its 10 million electric and gas customers. Revenue from Exelon Generation's power plants, with 32,700 MW of generation capacity, will help fund the investment.

<http://www.exeloncorp.com/newsroom/exelon-analyst-day-2016>

Utah Associated Municipal Power Systems Selects INL for Nuclear Reactor Site in Idaho

The Utah Associated Municipal Power Systems selected a site to build a small commercial nuclear reactor at the 890-square-mile Idaho National Laboratory (INL) federal facility in eastern Idaho, local media reported on Tuesday. NuScale Power would build the small modular reactors that can individually produce 50 MW. Additional reactors could be built as power demands grow, with up to 12 reactors producing 600 MW. Experts say the reactors are designed to be safer than conventional nuclear plants by being able to shut down without human involvement in the event of a disaster. Officials have said nuclear waste from the small reactors would be stored at the site in protective casings that could withstand earthquakes. The first reactor could be running by 2024, according to officials.

<http://www.postregister.com/articles/news-daily-email-todays-headlines/2016/05/03/final-nuclear-reactor-site-be-selected-soon>

Reuters, 13:01 August 10, 2016

Petroleum

LyondellBasell's 263,776 b/d Houston, Texas Refinery Returning to Normal Operations August 10 after Power Interruption, Production Cut August 9 – Sources

LyondellBasell Industries was returning its Houston, Texas refinery to normal operations on Wednesday, one day after a power interruption on a unit cut production in half, sources familiar with plant operations said. The sources said production at the refinery had been at full capacity when the sulfur recovery unit (SRU) lost power on Tuesday afternoon, but was cut to about half capacity amid worker evacuations and orders to shelter in place following the power interruption. Because of the quick restart of the SRU, the refinery is expected to return to full production within a few days, the sources said. Lyondell said on Tuesday that air monitoring did not detect unsafe levels of pollutants, but the Houston Ship Channel was shut for about 20 minutes on Tuesday afternoon to prevent a ship on the waterway from being exposed to a hydrogen sulfide release from the refinery, according to the U.S. Coast Guard. Last month, the company said the refinery's production averaged 73 percent of capacity during the second quarter of 2016 as Lyondell performed extensive repairs to a coking unit damaged in an April 8 fire. It added the refinery was not able to run at full production until the coker restarted on July 15.

Reuters, 12:59, August 10, 2016

Reuters, 18:16 August 9, 2016

Total Reports Flaring at Its 225,500 b/d Port Arthur, Texas Refinery August 9

Total reported flaring at its Port Arthur, Texas refinery, according to a community information line.

Reuters, 22:15 August 9, 2016

U.S. Crude Oil Stocks Rise 1.1 Million Barrels August 5 – EIA

Crude inventories rose 1.1 million barrels in the last week, compared with analysts' expectations for a decrease of 1.0 million barrels the U.S. Energy Information Administration (EIA) said on Wednesday. Total U.S. commercial crude stocks were approximately 523.6 million barrels as of August 5, 2016. Meanwhile, crude stocks at the Cushing, Oklahoma delivery hub rose by 1.163 million barrels to approximately 65.3 million barrels, EIA said.

Reuters, 10:41 August 10, 2016

Update: PG&E Found Guilty on Federal Charges in 2010 Natural Gas Pipeline Explosion in California August 9

Pacific Gas & Electric Co (PG&E) was found guilty on Tuesday of several federal charges stemming from a natural gas pipeline explosion in San Bruno, California that killed eight people and injured 58 others in 2010, a U.S. Justice Department spokesman said. The utility was convicted of obstructing an investigation and violating pipeline safety regulations leading up to the blast, the spokesman said. The utility faces a maximum fine of \$3 million, or \$500,000 per guilty count. The U.S. Attorney's Office accused PG&E of knowingly relying on "inaccurate or incomplete" infrastructure management records and failing to investigate its high-pressure natural gas pipelines after potential hazards had been identified, according to court records. The utility said it has adopted new pipeline safety standards and spent \$2.7 billion in shareholder funds to improve its natural gas system.

https://www.pge.com/en/about/newsroom/newsdetails/index.page?title=20160809_pge_statement_on_trial_verdict
Reuters, 19:54 August 9, 2016

Atlas Reports Flaring at Its 200 MMcf/d Driver Gas Plant in Texas August 9

Atlas reported its Driver plant was shut to replace a gasket in the product heater which resulted in the flaring of inlet and residue gas. The gasket was replaced and the plant was restarted.

<http://www2.tceq.texas.gov/oce/eei/index.cfm?fuseaction=main.getDetails&target=241186>

Other News

Nothing to report.

International News

Western Nations Call for Peace at Libya's Zueitina Oil Port August 10

Western countries including the United States, France, Britain, Germany, Spain and Italy said in a joint statement on Wednesday they were concerned by mounting tension around the Zueitina oil terminal in Libya. Zueitina is one of three eastern oil ports blockaded by Libya's Petroleum Facilities Guard (PFG). The statement urged a return to government control of all oil and gas installations and called on all parties "to abstain from any act of hostility and avoid all actions that could damage or disrupt energy infrastructure." The PFG has signed a deal to reopen the ports with the U.N.-backed Government of National Accord (GNA) in Tripoli, but forces loyal to a separate government based in eastern Libya have threatened to block a resumption of exports. Libya's National Oil Corporation (NOC) said on Sunday that it was concerned by reports of "imminent conflict" in the vicinity of Zueitina between the PFG and the Libyan National Army (LNA), which is loyal to the eastern government.

<http://www.reuters.com/article/us-libya-security-oil-west-idUSKCN10L0UC>

Shell Unit Declares Force Majeure on Gas Supplies to Bonny Island LNG Export Terminal in Nigeria August 8

Shell Petroleum Development Co. (SPDC) on August 8 declared force majeure on gas supplies to the Nigeria Liquefied Natural Gas (NLNG) export facility on Bonny Island following a leak on the Eastern Gas Gathering System (EGGS-1) pipeline through which it supplies the bulk of its gas to NLNG, a spokesman said. SPDC, Royal Dutch Shell's Nigerian unit, supplies gas to the LNG facility through a joint venture agreement with state oil company Nigerian National Petroleum Corp (NNPC). The pipeline has been shut down for a joint investigation visit into the cause of the leak and repairs, the spokesman said, adding that SPDC continues to supply gas to the facility through other pipelines. NLNG has the capacity to produce 22 million tonnes of LNG a year.

<http://www.reuters.com/article/nigeria-lng-force-majeure-idUSL8N1AR2LV>

Northern Iraq Oil Well Blown Up August 10 – North Oil Company

A well that pumps oil from the Kirkuk fields in northern Iraq was blown up on Wednesday, setting some production facilities on fire, an official at state-run North Oil Company said. The well is under the control of Kurdish peshmerga fighters. Firefighters were working to contain the fire at the well that pumps 2,500 b/d, the official said. The explosion happened in the early hours of Wednesday, most likely caused by sabotage, he said. Most of Iraq's daily production of 4.6 million b/d is produced in the southern region and exported from ports on the Gulf. About 500,000 b/d are exported from the Kurdish self-rule region through the Turkish terminal of Ceyhan on the Mediterranean.

Reuters, 6:13 August 10, 2016

Energy Prices

U.S. Oil and Gas Prices August 10, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	41.70	40.75	44.89
NATURAL GAS Henry Hub \$/Million Btu	2.75	2.79	2.80

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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